

Service Date August 30, 1974

DEPARTMENT OF PUBLIC SERVICE REGULATION  
BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MONTANA

IN THE MATTER of the Application )	
of THE WASHINGTON WATER POWER )	DOCKET NO. 6264
COMPANY for an order authorizing the )	ORDER NO. 4146
issuance of \$35,000,000 in promissory notes )	

On July 15, 1974, The Washington Water Power Company, hereinafter referred to as the applicant, filed with this Commission its verified application pursuant to Titles 70-117.1 to 70-117.6, RCM 1947, requesting an order for authority to (a) issue Promissory Notes in an aggregate amount of \$35,000,000, under the terms and conditions outlined in a Credit Agreement dated June 25, 1974, making available a Line of Credit during the period beginning October 1, 1974, and ending September 30, 1975; (b) repay all Notes to Banks maturing November 1, 1974; and (c) utilize the balance of the proceeds for construction purposes.

It is alleged in the application that applicant is a corporation organized and existing under and by virtue of the laws of the State of Washington and is a public utility as defined by Title 70-103, RCM 1947: and that applicant is subject to the jurisdiction of and regulation by this Commission with respect to rates, accounting, the issuance of securities and other matters pertaining to its public utility operations in two counties in Western Montana.

It is further alleged that the net proceeds available to applicant from the issuance of Promissory Notes will be applied in part to the repayment of all of applicant's Promissory Notes to Banks maturing November 1, 1974. The balance of the proceeds will be used to meet construction requirements.

It is further alleged in the application that Promissory Notes will be issued to the various Banks named in the Credit Agreement (Exhibit 11) making available a Line of Credit not

exceeding in aggregate the principal amount of \$35,000,000 at any one time outstanding. The commitment of each bank is set forth alongside the bank's signature of the Credit Agreement. The borrowings are to be made from time to time during the period beginning October 1, 1974, and ending September 30, 1975. Each Note will be dated the date of borrowing and will bear interest at the rate per annum which shall be equivalent to the prime commercial loan rate prevailing from time to time of the Lead Bank. Applicant has the right at any time, or from time to time, to prepay any Notes issued to evidence borrowings under the Credit Agreement either in whole or in part, any partial prepayments to be in an aggregate principal amount of not less than \$1,000,000 and to be made, upon at least five business days' notice.

The application herein is supported by exhibits and data in accordance with the prescribed rules of the Commission governing authorization for the issuance of securities for electric or gas utilities operating as public utilities in the State of Montana.

Having fully considered the application and all the files and records pertaining thereto on file with the Commission and being fully advised in the premises, the commission makes the following:

#### FINDINGS OF FACT

1. That the applicant, The Washington Water Power Company is a corporation organized and existing under and by virtue of the laws of the State of Washington and authorized to transact business in Montana.
2. That the applicant is operating as a public utility as defined in Title 70-103, RCM 1947, and as such is engaged in furnishing electric service in the State of Montana.
3. That the Commission has jurisdiction over the subject matter of said application under Titles 70-117.1 through 70-117.6, RCM 1947.
4. That the securities transaction proposed by applicant as hereinafter authorized, will be for a lawful purpose and is consistent with the public interest; that same is necessary or

appropriate for and consistent with the proper performance by applicant of service as a public utility; and that the aggregate amount of the securities outstanding and proposed to be outstanding will not exceed the fair value of the properties and business of applicant.

5. That public notice of the filing of said application and a formal hearing thereon is not required, and that the application should be approved as hereinafter ordered.

### CONCLUSION

The Commission concludes that the application of The Washington Water Power Company should be granted as hereinafter ordered.

### ORDER

NOW, THEREFORE, at a session of the Public Service Commission of the State of Montana, held in its offices at 1227 11th Avenue, Helena, Montana, on August 30, 1974, there being present commissioners Ernest C. Steel, Robert E. McTaggart, and Victor H. Fall, there regularly came before the Commission for final action, the matters and things in Docket No. 6246, and the Commission being fully advised in the premises:

IT IS HEREBY ORDERED that the application of The Washington Water Power Company for authority to issue Promissory Notes in an aggregate amount of \$35,000,000 under the terms and conditions outlined in a Credit Agreement filed herein as Exhibit 11, to be dated the date of borrowing and to bear interest at the rate per annum which shall be equivalent to the prime commercial loan rate prevailing from time to time of the Lead Bank, be, and the same hereby is, approved.

Neither the issuance of securities by The Washington Water Power Company pursuant to the provisions of this order, nor any act or deed done or performed in connection therewith shall be construed to obligate the State of Montana to pay or guarantee in any manner whatsoever any security authorized, issued, assumed or guaranteed hereunder.

The foregoing order was unanimously adopted by the Public Service Commission of the State of Montana.

DONE IN OPEN SESSION at Helena, Montana, this 30th day of August, 1974.

ERNEST C. STEEL, Commissioner

ROBERT E. McTAGGART, Commissioner

VICTOR H. FALL, Commissioner

ATTEST:

GAIL E. BEHAN

(GAIL E. BURKITT)

Secretary

(Seal)